

Impendle Municipality



Annual Report

2008/2009



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our vision

By the year 2017, the Impendle municipality would have provided the majority of the people and households in Impendle with sustainable access to their social and economic development needs and basic services in a fully integrated manner and within a safe and healthy environment.

mission

Through the integrated development plan and the Batho Pele principles Impendle municipality will strive for the realization of the council vision.



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Mayor's Foreword



Members of Impendle Council, Impendle Municipality Officials and all present, it is with great pleasure that I present the Annual Report on the activities of the **Impendle Local Municipality** for the financial year 1 July 2008 to 30 June 2009.

In 2008/2009 the municipality focused on ensuring that there was effective infrastructure and service delivery, economic development and job creation, effective financial management, implementation of the municipal property rates act, integrated development planning, inter-governmental relations, institutional development (including systems) and good governance (including public participation).

This report will give detail of both successes and challenges that remain in so far as the above matters are concerned. 2008/2009 was an important year in that the municipality moved away from the Sec 139 Intervention which had been instituted by the Provincial Executive Council. The municipality also received direct allocations from the Municipal Infrastructure Grant programme for the first time. There are indicators that implementation will be difficult but can be improved with time.

In conclusion, we can say that despite challenges that the municipality still faces, with particular reference to service delivery and the capacity of the municipality to perform certain of its functions, the 2008/2009 Audit Report provided comfort and is an indicator of general improvement and provides a solid foundation to work from.

Cllr SM Makhaye
Mayor
Impendle Local Municipality
22 January 2010



Executive Summary



2008/2009 was characterized by the upliftment of the sec 139 intervention that had been imposed on Impendle Municipality by the Provincial Executive in December 2007. This step signaled the beginning of a new trajectory in the evolution of Impendle as an organization. Some of the indicators of that new trajectory are discussed in the following summary:

In the area of good governance we have put in place new policies and are ensuring that these are being adhered to. We appointed the Internal Audit Unit as well as the Audit Committee and they have been operational during the year under review. The municipality remains one of a few where ward committees are effective. In the coming year the municipality will reinforce this by employing part time ward committee administrators to consolidate the work of ward committees even further.

Financial management has also improved considerably from where it was a few years ago. There have been improvements in terms of compliance with relevant legislation concerning financial management and reporting.

Economic development and job creation is an area in which we have struggled and cannot report any major progress or successes. Notwithstanding, it is an area we are pursuing with vigor and hope to make breakthroughs soon. The revision of the local economic development strategy of the municipality would commence at the beginning of the new financial year.

The municipality successfully implemented the municipal property rates act as required. However this will not change the financial outlook of the municipality that much due to the rural nature of the municipality. Detailed results of the implementation will become clearer during next years' report.

Integrated development planning has also improved albeit slower than we had anticipated. The planning shared services agreement concluded with other municipalities in the district has also been slow in taking off the ground. Financial and technical assistance was obtained from the Development Bank of Southern Africa (DBSA) for the municipality to put in place an Environmental Management Framework & Spatial Development Framework. This process commences at the beginning of the new financial year and should be complete in six months.

Institutional development and the introduction of new systems remained a challenge; however, with financial and technical assistance from the DBSA, the municipality is in the process of implementing a Document Management System. Financial and HR systems were looked into with a view to implementing new ones in keeping with the requirements of the Generally Recognized Accounting Practice and the requirements of the municipal property rates act.

Service delivery, with particular reference to the implementation of projects funded through the Municipal Infrastructure Grant programme, has been slow. It is our desire that an improvement in this regard should be attained soon. However, by the end of the year under review four access roads and the rehabilitation of the taxi rank were under construction while the fencing of the refuse site had been completed. The municipality resolved to increase free basic energy from 50kwh to 100kwh per month for households registered on the indigent register. In the new financial year (2009/2010) the municipality will be introducing free gas bottles and stoves to about 750-1000 families that currently do not have electricity. This is part of the Free Basic Energy approach adopted by the municipal council.



Executive Summary

In terms of intergovernmental relations and cooperation, it can be reported that the department of Human Settlement had finally committed to the construction of more than 2000 houses in Impendle. It is anticipated that relevant agreements will be concluded in the next financial year. Relations with the Umgungundlovu District Municipality improved substantially and major water and sanitation projects commenced implementation in Impendle during the year under review. The department of agriculture implemented a major bean cultivation project in ward 1 with a promise that more was to follow in other wards of the municipality.

Despite the challenges that remain, the municipality will be reporting progress in this report as well as other documents and forums where we are required to report as a municipality.

Mr. BS Duma
Municipal Manager
22 January 2010





chapter one

Introduction

Submission and Tabling of the 2008/2009 Annual Report to Council

This Annual Report is prepared for submission to Impendle Municipality Council in terms of Chapter 12, section 127 of the Local Government: Municipal Finance Management Act No. 56 of 2003.

Legislative mandate

The primary legislative mandate of the municipality stems from chapter 7, section 151 (2) of the Constitution of the Republic of South Africa, which states that –

The municipality must strive within its administrative and financial capacity, to meet the objects of local government which are to:

- Provide democratic and accountable government for local communities;
- Ensure sustainable provision of services to communities;
- Promote a safe and healthy environment; and to
- Encourage communities to become involved in local government matters.

The constitution also requires municipalities to structure and manage their administrations, budgeting and planning processes in such a manner as to:

- Prioritize the basic needs of the communities;
- Promote the social and economic development; and
- Participate in national and provincial development programmes.

These constitutional stipulations are also reinforced in section 73(1) of the Local Government: Municipal Systems Act No. 117 of 1998.

The constitution is further supported by the following Acts which were created solely for the furtherance of the municipalities' constitutional mandate:

- Local Government: Municipal Structures Act No. 117 of 1998
- Local Government: Municipal Systems Act No. 32 of 2000
- Local Government: Municipal Finance Management Act No. 56 of 2003
- Local Government: Municipal Property Rates Act No. 6 of 2004
- Division of Revenue Act



Overview Of Impendle Municipality

Impendle Municipality is located within the uMgungundlovu District which is regarded as the heart of the KwaZulu Natal Midlands. Impendle is situated on the western boundary of the uMgungundlovu District, and shares a boundary with the KwaSani and Ingwe Local Municipalities in the Sisonke District Municipal area. KwaSani Municipality includes such towns as Underberg and Himeville.

To the north is the uMngeni Local Municipality which is closely tied to the Impendle Municipality in terms of agriculture and potential tourism (Midlands Meander), and to the east The Msunduzi Local Municipality which is the capital of the province and economic hub of the District. Also to the west are District Management Areas of the Drakensberg that fall under the Transfrontier Development Initiative related to the World Heritage Site.

Impendle is the smallest municipality in the uMgungundlovu region. Its economy is predominantly rural, and highly dependent on agriculture and farming. The infrastructure is relatively poor and the municipality has insufficient resources to address basic infrastructure problems.

There are however, specific natural assets which may give Impendle an economic advantage if fully explored. These include proximity to major tourist attractions, farming of woodlots, stock as well as abundant water resources.

Impendle comprise of four wards described as follows:

Ward 1

This ward is located on the Western portion of the Municipality with the western boundary of the Municipality falling adjacent to the Drakensberg Mountains. This ward is by far the largest ward in terms of geographical area and consists of scattered rural settlements which have encroached onto Nature areas. Small pockets of traditional areas are also located along roads and rivers. There are three settlements which stand out above the rest in this ward, namely: Nzinga, Stoffelton, Lower & Upper Makhuzeni, Mahlutshini, Thunzi, Nkangala/Glen and Lotheni

Ward 2

East of Ward 1 is Ward 2 which has as its western boundary the Nzinga River while the Eastern Boundary is the Impendle Mountain. This Ward consists of the following settlements, namely: Come and See, Macksam, Ukukhanya, Compensation, Mgodi, Ntshiyabantu/Shellfish, Qutshini and Nguga.

Ward 3

The Western Boundary of Ward 3 runs along the Impendle Mountain while the Eastern Boundary falls roughly along the road from Boston to Impendle town to Howick. This ward consists of the town of Impendle and the following settlements: Novuka, kwaMlaba, Khetha, Ntokozweni, Lindokuhle, Phindangene, Smilobar, Sthunjwana, Fikesuthi & the Impendle Village.

Ward 4

This ward consists mainly of the farming community of Boston and the settlements of: Gomane & Nhlambamkhosi.



Demographic Information

Impendle represents just over 3.6% of the population of Umgungundlovu District Municipality (UMDM). The majority of people living in Impendle are black South African with very small percentages of other ethnic groups. Most households consist of four people, mostly living in either traditional dwellings or informal settlements. In terms of the Census 2007, the estimated population of Impendle is 39401, majority (52%) of the municipal population falls within the economically active age cohort 15-64 years. By far the majority are employed in Agriculture (60%) and Community Services (25%). Annual income per household is just under R 30,000.00, which is the lowest in the district.

Table 1: Impendle Population Breakdown per gender, household and employment

| | |
|------------------------------|---------------|
| Total Population | 39 401 (2007) |
| Male | 18518 (2007) |
| Female | 20883 (2007) |
| Households | 7338 (2007) |
| Number of persons employed | 1725 (2001) |
| Number of persons unemployed | 4948 (2001) |

Table 2: Age Breakdown (2001)

| | |
|---------|--------------|
| 0 – 4 | 3894 |
| 5 – 14 | 9912 |
| 15 – 34 | 10588 |
| 35 – 64 | 6960 |
| Over 65 | 2207 |
| Total | 33561 (2001) |

Table 3: Population Distribution (2007)

| Population Group | CS 2007 | 2001 | 1996 | % Change 1996 -2001 | % population 1996 | % population 2001 |
|------------------|---------|-------|-------|------------------------|----------------------|----------------------|
| African | 38767 | 33248 | 33351 | -0.31 | 98.24 | 99.04 |
| Coloured | 106 | 65 | 85 | -23.53 | 0.25 | 0.19 |
| Indian | 0 | 23 | 22 | 4.55 | 0.06 | 0.07 |
| White | 524 | 233 | 342 | -31.87 | 1.01 | 0.69 |
| Total Population | 39397 | 33569 | 33948 | -1.12 | 100 | 100 |



Map Of Umgungundlovu District With Impendle On The West





Key Features Of Local Economy

Agriculture

Agriculture is the main economic activity in Impendle municipality (commercial and subsistence). Agricultural sector accounts for about 12.4% of the district economy and Impendle contributes 0.4%. Although the municipality has high unemployment rate, agriculture is the key employment sector for the people of Impendle.

Tourism

The development of Impendle Game reserve as a tourist destination is a difficult decision. Many of the species in the reserve are endangered and will not be able to cope with large numbers of tourists and additionally, tourist are likely to be specialised- interested in birds, or smaller flora and fauna. Linkages to international birding groups, and groups with scientific interest in the local species should be developed, with the option to be accommodated in Boston and Bulwer but to spend time in the reserves under controlled conditions.

Many tourists come to the area for its scenic beauty, which is threatened by uncontrolled and inappropriate development. At the same time, many also visit the area to view wildlife in all its aspects. Impendle is a particularly beautiful area but road access is poor. It could be marketed as a way stop between Howick and the transfrontier park as well as the Berg, only for 4 x 4 and especially in Winter. Impendle gets snow almost every year and this will be a major attraction for many.

Many tourists visit the area for adventure and sports. Impendle has access in particular to fishing and possibly could develop niche sports such as hawking, hunting, photography, but especially fishing. Many small dams and rivers in the area will lend themselves to fishing activities, and a detailed plan to maximize these assets should be developed. Pony trekking and backpacking offer additional opportunities.

Service Industry

The public sector employs a substantial number of people in Impendle as teachers, nurses, police and other officials who work government departments such as Social Development, SA Social Security Agency, Justice and so on.



Political Leadership (Council)

The function of council within the municipality is to govern and oversee the implementation of its decisions. The Council and its committees functions are administered as follows:

Full council (consists of 7 Councillors) meetings are held once per month. Council meetings are usually attended by the Municipal Manager, Senior Officials (General Managers) and officials who may be required to give background and/or explanations in respect of certain matters on the agenda from time to time. Committee meetings on the one hand are usually attended by the relevant senior managers and other officials of the department concerned.

The strategic objective for the Council and Committees are to:

Ensure that the municipality fulfill its obligations in terms of Section 152 of the Constitution of the Republic of South Africa and that the Council is focused on ensuring that the municipality delivers the mandate in the most cost effective and sustainable manner.

| Councillor Details | Frequency Of Meetings |
|---|-----------------------|
| Total number of Councillors | 7 |
| Council And Committee Meetings | |
| Council | 1 per month |
| Corporate & Community Services Portfolio Committee | 1 per month |
| Infrastructure & Planning Portfolio Committee | 1 per month |
| Finance Portfolio Committee | 1 per month |
| Ward committees | |
| Total numbers of wards | 4 |
| Ward meetings are held at various times during the year | Monthly |

Council Meetings - July 2008 – June 2009

| Scheduled Meetings | | | | Special Meetings | | | |
|--------------------|--------|---------|-----------|------------------|--------|---------|-----------|
| Date | Absent | Present | % Present | | Absent | Present | % Present |
| 2008 | | | | 2008 | | | |
| 31 July | 2 | 5 | 71 | 09 July | 3 | 4 | 57 |
| 21 August | 0 | 7 | 100 | 07 August | 0 | 7 | 100 |
| 30 October | 1 | 6 | 86 | 18 September | 0 | 7 | 100 |
| 27 November | 0 | 7 | 100 | 02 October | 1 | 6 | 86 |
| 11 December | 1 | 6 | 86 | 16 October | 1 | 6 | 86 |
| | | | | 13 November | 0 | 7 | 100 |
| | | | | 04 December | 1 | 6 | 86 |
| 2009 | | | | 2009 | | | |
| 27 January | 2 | 5 | 71 | 15 January | 3 | 4 | 57 |
| 26 February | 1 | 6 | 86 | 29 January | 2 | 5 | 71 |
| 26 March | 0 | 7 | 100 | 11 February | 3 | 4 | 57 |
| 30 April | 1 | 6 | 86 | 06 April | 1 | 6 | 86 |
| 28 May | | 2 | 5 | 7115 June | 2 | 5 | 71 |
| 30 June | | 3 | 4 | 57 | | | |



Political Leadership



Cllr SM Makhaye



K.M.Dlamini



E.B.Madlala



M.M.Cekwane



T.R.Mncube



S G Ndlela



C.D.Gwala

Management Team



Mr. BS Duma



S. Ngcobo



J. Mumford



T. Khwela

Corporate services

Community services

Infrastructure

Planning

Income

Expenditure